### June 2020





# Farm Service Agency Electronic News Service

# **NEWSLETTER**

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# Minnesota FSA Newsletter: June 2020

# MN Farm Service Agency

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### **State Executive Director's Comments**

### **Finding New Ways to Serve You**

It is an understatement to say that COVID-19 has challenged all of us to rethink how we go about our daily lives and conduct business. That has certainly been the case within FSA as we are tasked to deliver programs and services without being able to see farmers in our offices.

While a big adjustment to how we traditionally do business, I am very proud and amazed to see the creativity and resourcefulness of our dedicated county office staff who continue to find ways to deliver critical services during a time when they are truly needed.

I want to extend my appreciation to all our staff and to our farmers who have been patient and understanding related to our changes in operational status. There will come a day when our offices are open for visitors again, but in the meantime we will continue to find new and old ways to serve our customers, whether that be new ways of emailing documents, collecting digital signatures, having video

#### **State Committee:**

Scott Winslow - Chair Kurt Blomgren Jim Kukowski Jay Nord Mike Yost

### **Important Program Reminders**

mail and drop boxes.

### **Coronavirus Food Assistance Program (CFAP)**

To find contact information for your local office go to: www.fsa.usda.gov/mn

We have processed nearly 20,000 CFAP applications. Be sure to get your application in by the **August 28** deadline. As a reminder, the program is structured to ensure availability of funding for all eligible producers who apply. In order to do this, producers will receive 80 percent of their maximum total payment upon approval of the application. The remaining portion of the payment will be paid later as funds remain available.

conferences, curbside parking lot service, or the old ways of postal

#### ARC/PLC

You may receive a postcard reminder if you have not yet signed your 2020 ARC/PLC contracts. If you receive this postcard, call the office immediately to get your contracts signed by the **June 30** deadline. Failure to sign these contracts will make you ineligible for payment if one is triggered.

# **USDA** in Minnesota to Reopen Service Centers to Producers Soon

USDA Using Phased Reopening to Maximize Safety of Employees and Producers

Due to the coronavirus pandemic, USDA implemented a unique approach to completing its missions while maximizing the safety of employees and citizens who use the services provided. Now, in accordance with federal guidance, USDA is beginning a phased approach to reopening offices to inperson visitors, including its USDA Service Centers that deliver important programs to farmers and ranchers. These reopening procedures have been developed to maximize the safety of USDA employees and the agricultural producers who rely on USDA programs and services.

The reopening status of USDA Service Centers across Minnesota is different depending on local conditions. At this time, Service Centers are not able to accept visitors, and agricultural producers should still call their local Service Center to schedule an appointment.

Once Service Centers are able to have visitors, USDA's Farm Service Agency and Natural Resources Conservation Service will send shared information via email, updates to <a href="mailto:farmers.gov/coronavirus">farmers.gov/coronavirus</a>, and other communications vehicles.

### **CLEAR30** the first USDA program to offer 30-year Signup

The U.S. Department of Agriculture's Farm Service Agency (FSA) will open signup this summer for CLEAR30, a new pilot program that offers farmers and landowners an opportunity to enroll in a 30-year Conservation Reserve Program (CRP) contract. This pilot is available to farmers and landowners with expiring water-quality practice CRP contracts in the Great Lakes and Chesapeake Bay regions. The program signup period is July 6 to Aug. 21, 2020.

The pilot is available in Delaware, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, Ohio, Pennsylvania, Virginia, West Virginia and Wisconsin. Eligible producers must have expiring Clean Lakes, Estuaries and Rivers (CLEAR) initiative contracts, including continuous CRP Cropland

contracts with water-quality practices or marginal pasturelands CRP contracts devoted to riparian buffers, wildlife habitat buffers or wetland buffers.

The longer contracts will help ensure that practices remain in place for 30 years, which will help reduce sediment and nutrient runoff and help prevent algal blooms. Traditional CRP contracts run from 10 to 15 years.

Annual rental payment for landowners who enroll in CLEAR30 will be equal to the current Continuous CRP annual payment rate plus an inflationary adjustment of 27.5 percent, since CLEAR30 contracts will be for 30 years – much longer than the 10 to 15-year contracts for Continuous CRP offers.

Another unique program feature is that FSA will help producers maintain CLEAR30 contract acreage.

USDA Service Centers are open for business by phone appointment only, and field work will continue with appropriate social distancing. While program delivery staff will continue to come into the office, they will be working with producers by phone and using online tools whenever possible. Anyone wishing to conduct business with the FSA, Natural Resources Conservation Service or any other Service Center agency is required to call to schedule a phone appointment. More information can be found at <a href="mailto:farmers.gov/coronavirus">farmers.gov/coronavirus</a>.

# **USDA Announces Streamlined Guaranteed Loans and Additional Lender Category for Small-Scale Operators**

Options Help More Beginning, Small and Urban Producers Gain Access to Credit

Producers can apply for a streamlined version of USDA guaranteed loans, which are tailored for smaller scale farms and urban producers. The program, called EZ Guarantee Loans, uses a simplified application process to help beginning, small, underserved and family farmers and ranchers apply for loans of up to \$100,000 from USDA-approved lenders to purchase farmland or finance agricultural operations.

A new category of lenders will join traditional lenders, such as banks and credit unions, in offering USDA EZ Guarantee Loans. Microlenders, which include Community Development Financial Institutions and Rural Rehabilitation Corporations, will be able to offer their customers up to \$50,000 of EZ Guaranteed Loans, helping to reach urban areas and underserved producers. Banks, credit unions and other traditional USDA-approved lenders, can offer customers up to \$100,000 to help with agricultural operation costs.

EZ Guarantee Loans offer low interest rates and terms up to seven years for financing operating expenses and 40 years for financing the purchase of farm real estate. USDA-approved lenders can issue these loans with the Farm Service Agency (FSA) guaranteeing the loan up to 95 percent.

More information about the available types of FSA farm loans can be found at <a href="mailto:fsa.usda.gov/farmloans">fsa.usda.gov/farmloans</a> or by contacting your local FSA office.

# Farmers and Ranchers in Minnesota Can Now Apply for Financial Assistance through USDA's Coronavirus Food Assistance Program

Online Tools and Toll-Free Number Available to Assist Producers

Agricultural producers can now apply for USDA's Coronavirus Food Assistance Program (CFAP), which provides direct payments to offset impacts from the coronavirus pandemic. The application and a payment calculator are now available online, and USDA's Farm Service Agency (FSA) staff members are available via phone, fax and online tools to help producers complete applications. The agency set up a call center in order to simplify how they serve new customers across the nation.

Applications will be accepted through August 28, 2020. Through CFAP, USDA is making available \$16 billion for vital financial assistance to producers of agricultural commodities who have suffered a five-percent-or-greater price decline due to COVID-19 and face additional significant marketing costs as a result of lower demand, surplus production, and disruptions to shipping patterns and the orderly marketing of commodities.

We also want to remind producers that the program is structured to ensure the availability of funding for all eligible producers who apply.

In order to do this, producers will receive 80 percent of their maximum total payment upon approval of the application. The remaining portion of the payment, not to exceed the payment limit, will be paid at a later date nationwide, as funds remain available.

Producers can download the CFAP application and other eligibility forms from <u>farmers.gov/cfap</u>. Also, on that webpage, producers can find a payment calculator to help identify sales and inventory records needed to apply and calculate potential payments.

Additionally, producers in search of one-on-one support with the CFAP application process can call 877-508-8364 to speak directly with a USDA employee ready to offer assistance. This is a good first step before a producer engages the team at the FSA county office at their local USDA Service Center.

### **Applying for Assistance**

Producers of all eligible commodities will apply through their local FSA office. Those who use the online calculator tool will be able to print off a pre-filled CFAP application, sign, and submit to your local FSA office either electronically or via hand delivery. Please contact your local office to determine the preferred method. Find contact information for your local office at farmers.gov/cfap.

Documentation to support the producer's application and certification may be requested after the application is filed. FSA has streamlined the signup process to not require an acreage report at the time of application and a USDA farm number may not be immediately needed.

### **Additional Commodities**

USDA is also establishing a process for the public to identify additional commodities for potential inclusion in CFAP. Specifically, USDA is looking for data on agricultural commodities, that are not currently eligible for CFAP, that the public believes to have either:

- 1. suffered a five percent-or-greater price decline between mid-January and mid-April as a result of the COVID-19 pandemic,
- 2. shipped but subsequently spoiled due to loss of marketing channel, or
- 3. not left the farm or remained unharvested as mature crops.

More information about this process is available on farmers.gov/cfap.

#### More Information

To find the latest information on CFAP, visit farmers.gov/cfap or call 877-508-8364.

USDA Service Centers are open for business by phone appointment only, and field work will continue with appropriate social distancing. While program delivery staff will continue to come into

the office, they will be working with producers by phone and using online tools whenever possible. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service, or any other Service Center agency are required to call their Service Center to schedule a phone appointment. More information can be found at farmers.gov/coronavirus.

### **Reporting Organic Crops**

Producers who want to use the Noninsured Crop Disaster Assistance Program (NAP) organic price and selected the "organic" option on their NAP application must report their crops as organic.

When certifying organic acres, the buffer zone acreage must be included in the organic acreage.

Producers must also provide a current organic plan, organic certificate or documentation from a certifying agent indicating an organic plan is in effect. Documentation must include:

- name of certified individuals
- address
- telephone number
- effective date of certification
- certificate number
- list of commodities certified
- name and address of certifying agent
- a map showing the specific location of each field of certified organic, including the buffer zone acreage

Certification exemptions are available for producers whose annual gross agricultural income from organic sales totals \$5,000 or less. Although exempt growers are not required to provide a written certificate, they are still required to provide a map showing the specific location of each field of certified organic, transitional and buffer zone acreage.

For questions about reporting organic crops, contact your local FSA office. To find your local office, visit http://offices.usda.gov.

# **Environmental Review Required Before Project Implementation**

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally-funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program, Conservation Reserve Program, and farm loans. If project implementation begins before FSA has completed an environmental review, this will result in a denial of the request. There are exceptions regarding the Stafford Act and emergencies. It is important to wait until you receive written approval of your project proposal before starting any actions, including, but not limited to, vegetation clearing, site preparation or ground disturbance.

Remember to contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

Applications cannot be approved contingent upon the completion of an environmental review. FSA must have copies of all permits and plans before an application can be approved.

# Producers are Encouraged to Report Prevented Planting and Failed Acres

USDA Farm Service Agency (FSA) reminds producers to report prevented planting and failed acres in order to establish or retain FSA program eligibility for some programs.

Producers should report crop acreage they intended to plant, but due to natural disaster, were prevented from planting. Prevented planting acreage must be reported on form *CCC-576*, *Notice of Loss*, no later than 15 calendar days after the final planting date as established by FSA and Risk Management Agency (RMA).

Contact your local FSA office for a list of final planting dates by crop.

If a producer is unable to report the prevented planting acreage within the 15 calendar days following the final planting date, a late-filed report can be submitted. Late-filed reports will only be accepted if FSA conducts a farm visit to assess the eligible disaster condition that prevented the crop from being planted. A measurement service fee will be charged.

Additionally, producers with failed acres should also use form *CCC-576*, *Notice of Loss*, to report failed acres.

Producers of hand-harvested crops and certain perishables must notify FSA of damage or loss through the administrative County Office within 72 hours of the date of damage or loss first becomes apparent. This notification can be provided by filing a CCC-576, email, fax or phone. Producers who notify the County Office by any method other than by filing the CCC-576 are still required to file a CCC-576, *Notice of Loss*, within the required 15 calendar days.

For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP), producers must file a *Notice of Loss* within 15 days of the occurrence of the disaster or when losses become apparent. Producers must timely file a *Notice of Loss* for failed acres on all crops including grasses.

### **USDA Announces Updates for Honeybee Producers**

The U.S. Department of Agriculture's Farm Service Agency (FSA) announced updates to the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP). These updates include changes required by the 2018 Farm Bill as well as discretionary changes intended to improve the administration of the program and clarify existing program requirements. ELAP was previously administered based on FSA's fiscal year but will now run according to the calendar year. Producers are still required to submit an application for payment within 30 calendar days of the end of the program year. This is not a policy change but will affect the deadline. The signup deadline for calendar year 2020 losses is February 1, 2021.

Starting in 2020, producers will have 15 days from when the loss is first apparent, instead of 30 days, to file a honeybee notice of loss. This change provides consistency between ELAP and the Noninsured Crop Disaster Assistance Program, which also has a 15-day notice of loss period for honey. For other covered losses, including livestock feed, grazing and farm-raised fish losses, the notice of loss deadline for ELAP will remain 30 days from when the loss is first apparent to the producer.

Program participants who were paid for the loss of a honeybee colony or hive in either or both of the previous two years will be required to provide additional documentation to substantiate how current year inventory was acquired.

If the honeybee colony loss incurred was because of Colony Collapse Disorder, program participants must provide a producer certification that the loss was a direct result of at least three of the five symptoms of Colony Collapse Disorder, which include:

- the loss of live gueen and/or drone bee populations inside the hives;
- rapid decline of adult worker bee population outside the hives, leaving brood poorly or completely unattended;
- absence of dead adult bees inside the hive and outside the entrance of the hive;
- absence of robbing collapsed colonies; and
- at the time of collapse, varroa mite and Nosema populations are not at levels known to cause economic injury or population decline.

For honeybees, ELAP covers colony losses, honeybee hive losses (the physical structure) and honeybee feed losses in instances where the colony, hive or feed has been destroyed by a natural disaster or, in the case of colony losses, because of Colony Collapse Disorder. Colony losses must be in excess of normal mortality.

ELAP also provides emergency assistance to eligible producers of livestock and farm-raised fish including for feed and grazing losses. It covers losses because of eligible adverse weather or loss conditions, including blizzards and wildfires on federally managed lands. ELAP also covers losses resulting from the cost of transporting water to livestock due to an eligible drought.

For more information on ELAP visit <u>farmers.gov/recover</u> or contact your FSA County Office. To locate your local FSA office, visit <u>farmers.gov/service-locator</u>.

### **Acreage Crop Reporting Streamlining Initiative (ACRSI)**

Farmers and ranchers filing crop acreage reports with the Farm Service Agency (FSA) and participating insurance providers approved by the Risk Management Agency (RMA) now can provide the common information from their acreage reports at one office and the information will be electronically shared with the other location. This new process is part of the USDA Acreage Crop Reporting Streamlining Initiative (ACRSI).

Producers must still contact both their local FSA office and their insurance provider to validate and sign acreage reports, complete maps, or provide program-specific information, including reporting uninsured crops to FSA. The common data from the first-filed acreage report will now be available to pre-populate and accelerate completion of the second report.

## **Maintaining Good Credit History**

Farm Service Agency (FSA) Farm Loan programs require that applicants have a satisfactory credit history. A credit report is requested for all FSA direct farm loan applicants. These reports are reviewed to verify outstanding debts, if bills are paid timely and to determine the impact on cash flow.

Information found on a customer's credit report is strictly confidential and is used only as an aid in conducting FSA business.

Our farm loan staff will discuss options with you if you have an unfavorable credit report and will provide a copy of your report. If you dispute the accuracy of the information on the credit report, it is up to you to contact the issuing credit report company to resolve any errors or inaccuracies.

There are multiple ways to remedy an unfavorable credit score.

- Make sure to pay bills on time. Setting up automatic payments or automated reminders can be an effective way to remember payment due dates.
- Pay down existing debt.
- · Keep your credit card balances low.
- Avoid suddenly opening or closing existing credit accounts

FSA's farm loan staff will guide you through the process, which may require you to reapply for a loan after improving or correcting your credit report. For more information on FSA farm loan programs, visit <u>fsa.usda.gov</u>.

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).